

## Governance and finance of national universities in Argentina: current proposals for change

JORGE BALÁN

*CEDES, Sánchez de Bustamante 27, 1173 Buenos Aires, Argentina*

**Abstract.** The paper describes university policies proposed by the constitutional government in Argentina since 1983. The focus is upon the shift in policies proposed by the Menem administration during the last three years. A new financial regime for national universities has been proposed, stimulating them to increase cost recovery through student fees and other mechanisms. The proposal, largely rejected by the university community which favors the traditional tuition free system, involves a broader change in the relations between the universities on the one hand, and the state and the market, on the other. Other policy issues, like university accreditation and research support at the universities, are also discussed within this context.

### 1. Introduction

Two distinctive sets of university policies have been proposed in Argentina since the return to a constitutional regime in 1983. The first one was initiated and sustained by the administration of President Alfonsín (1983–1989). The program had negative and positive models in mind. It was inspired, on the negative side, by the repressive policies carried out by the preceding military regime (1976–1983). Under the military, interventions were made in the universities as part of the “dirty war”, i.e., in order to fight militarily and ideologically what it called the “subversion”. Thus, a major demand after the regime changed was the return to ideologically pluralistic, academically free universities. The military interventions also led to restrictive policies, i.e., established quotas, entry examinations, and more rigid rules to maintain student status. During two years it also established very modest student fees, in opposition to the traditionally predominant tuition-free system. In consequence, the Alfonsín administration sponsored an open admission, free-for-all system, eliminating all quotas and fees, although preparatory cycles and entry examinations were established by several universities. On the positive side, the reform program chose as a model the system of autonomous, self-governing institutions with elected authorities which had functioned in the late 1950s and early 1960s. This model allowed for a representative, collegiate system of government, with faculty, professional, student, and at some institutions worker representation. University presidents (*rectores*) were chosen freely by elected bodies without government intervention.

On both accounts these reforms were highly effective. Until today, national universities enjoy academic and ideological freedom, and are governed by elected authorities according to the rules each of them established. The open

admission policy persists, with the usual exceptions, with no quotas. The law forbids national universities to charge student fees (except for graduate studies), although at least one major institution has found a way to circumvent this prohibition. The attainment of other stated objectives coherent with the positive model chosen by the Alfonsín administration – i.e., strengthening of research and graduate training, expansion of the system of full-time faculty positions, modernization of curricula, discipline rather than professional emphasis, and so on – was much less effective. Severe financial restrictions were a major but certainly not the only reason for this failure. Such restrictions resulted in chronic protest on the part of faculty, workers, and students, which often paralyzed the universities. The number of faculty and staff increased sharply after 1984 as a response to the demands imposed by an open admission policy, while real wages tended to decline. Under those circumstances most other reform objectives lost priority among university administrators as well as faculty and students.

The second set of reforms was announced by the Menem administration as soon as it assumed power in 1989, but has faced serious difficulties in implementation. This paper is devoted to a discussion of these proposed reforms and the opposition they have encountered. We will focus upon one major issue, i.e., the changes sought in the financial regime of national universities, geared to stimulate greater financial autonomy through an increase in the proportion of the total funding originated by each institution through a variety of mechanisms, including student fees. Financial reform is at the core of a broader program which includes a change in the relations between the national universities, on the one hand, and the state and the market, on the other. This program has been labelled, with a derogatory undertone, as the “privatization” of state universities, and is usually placed within the overall context of current attempts at reforming the state apparatus. A complementary and equally important goal within this program has been to develop stronger mechanisms of academic and financial supervision and control over those institutions by the Ministry of Education, which currently has very limited authority over budgetary matters and institutional policies in general. While proposed changes in the financial regime are designed to increase financial autonomy within each institution, those control mechanisms – as well as other policies originated within the Ministry of Education – give the latter an administrative power which it does not currently exert. The overall package has been opposed by university administrators, faculty and students. They fear even further uncertainties regarding federal funding should the universities develop independent sources of income, and they expect arbitrary rule by educational bureaucrats – who have made little use of peer reviews or academic consulting bodies in other key decisions – through supervision mechanisms based upon biased evaluations. The overall context of extreme financial hardship has been a major barrier to the development of a minimum degree of consensus regarding the proposed reforms, and has until recently paralyzed most ministerial proposals for change in the national universities.

## 2. The development of highly distinctive public and private systems

Reform of national universities has been a recurrent policy issue in Argentina since the mid 1950s (Pérez Lindo 1985). A system of seven nationally supported institutions located in the major cities was already in operation at that time and constituted the core of higher education in the country. A recently founded technological school and a number of teacher training institutions not included within the university system completed the picture. By 1960 higher education enrolments already represented around 12 per cent of the population aged 20 to 24, thus making Argentina the first Latin American country in transition towards a mass higher educational system (Levy 1986).

Two major reforms were introduced then. On the one hand, a strong modernization effort was initiated within national universities. The key aspects of that effort were the institutionalization and strengthening of research, the development of full-time faculty positions (as opposed to the traditional part-time teaching faculty), the new prominence of discipline rather than professional training, and the trend towards departmentalization. The impulse for reform largely originated within the national universities, which had recently gained institutional autonomy, supported by the federal government (i.e., through the creation of a national council to finance scientific and technological research within the universities). On the other hand, private universities were authorized to grant professional diplomas and thus could compete freely for students with national universities. This was a major victory for Catholic groups which had been interested in developing an alternative to the lay, state institutions ever since they had lost control of them during the nineteenth century. The first wave of private university creation responded to this orientation, but was quickly followed by the founding of lay institutions largely within the patterns described by Levy (1986), except that in Argentina, private institutions never achieved the weight they have in other major Latin American countries, such as Brazil or Colombia.

The Argentine model has been one of extreme institutional differentiation in terms of financial support. National universities are almost entirely state supported, charging no student fees or only nominal ones, while private institutions depend almost exclusively on private sources, including student fees as a major component. Private universities have functioned within a stable legal framework since the 1960s, with very limited active intervention on the part of the federal or state governments. Public policies towards national universities have shifted drastically with changes in political regime, including sharp movements up and down in federal financing of the system. The effects of such policy changes upon private universities have been less dramatic and often indirect.

The reforms started in the second half of the 1950s achieved some initial success but were followed by considerable frustration in the longer term. Thus, in the late 1960s and early 1970s another wave of reforms was initiated, in this case inspired by the central government (Bertoni and Cano 1990; Cano 1985; Pérez Lindo 1985). Its major gist was the creation of sixteen new institutions devised to decentralize geographically and administratively the system and to redistribute the student

population away from the large, traditional universities, located in the major cities. They were effective in increasing the number of institutions, some of which grew very rapidly, but failed otherwise in their intentions. The system became considerably larger and more differentiated, but almost entirely funded by the federal government while student enrolment is still highly concentrated in a few large and older institutions. The transition towards a mass system was completed through the institutional expansion made possible by those reforms and the open admission policy implemented during 1973–1976.

The development of a private sector since 1958 was restrained due to the lack of public subsidies. However, over 20 institutions were founded between then and 1973, when around 13% of all university students in the country were enrolled in private institutions. Enrolment figures increased sharply when public universities established entry restrictions or quotas, while they were stable or declined when an open admission policy was implemented. The number of institutions was frozen between 1973 and 1989, allowing for growth in size and differentiation within the system. The largest institutions tended to locate in the Buenos Aires metropolitan area, while in the rest of the country most private institutions are small in size and operate with the support of the Catholic Church (Balán 1990). A new wave of private institution development has taken place under the current administration, since 1989, and is part of the overall privatization policy geared to shift the burden of financing higher education through the private market.

### 3. Financing and reforming the system of national universities

Gertel (1991) has shown a declining trend in the financial support for national universities in Argentina. Between 1963–1988 current expenditures decreased at a rate of 1.5% per year, while student enrolment over the same period increased annually 5.9%. Even considering these figures on student enrolment as highly unreliable, there is no doubt about the long term deterioration of current financing for the system. Equally important, yearly shifts up and down in real terms have been quite dramatic since the 1970s, drastically affecting faculty and non-faculty salaries and all budget planning. As can be seen in Table 1 and Figures 1 and 2, there have been three marked cycles in funding over the last twenty years, with sharp shifts upwards (1973/5, 1979/81, 1986/88) followed by equally sharp declines. The last important increase took place under the Alfonsín administration in 1987, while a sharp decline took place during 1989, a year of political transition marked by hyperinflation. Federal financing has remained at very low levels since then, without important fluctuations and with a very mild recent increase. On the one hand, these cycles followed overall spending patterns on the part of the federal government and thus reflected the recurrent fiscal crises of the state. On the other hand, fluctuations reveal regime preferences in favor or against the national universities, as indicated by the percentage the university budget represents of the total federal budget (not shown here; see Balán 1991).

The federal government has tended to decentralize the administration and

Table 1. Federal funding for national universities: Argentina 1972–1991

Year	Total (in million <i>pesos</i> )*	Percent annual increase/decrease
1972	783.76	n/d
1973	1036.18	32.21
1974	1242.34	19.90
1975	1130.76	– 8.98
1976	600.83	– 46.86
1977	601.67	0.14
1978	806.22	34.00
1979	835.95	3.69
1980	1029.49	23.15
1981	912.11	– 11.40
1982	657.48	– 27.92
1983	911.28	38.60
1984	943.15	3.50
1985	892.20	– 5.40
1986	901.89	1.09
1987	1180.50	30.89
1988	1120.09	– 5.12
1989	827.81	– 26.09
1990	813.41	– 1.74
1991	844.42	3.81

Source: Secretaría de hacienda (créditos Definitivos 1972–1991).

\* In constant *pesos* of January 1992 (one *peso* = one US dollar).

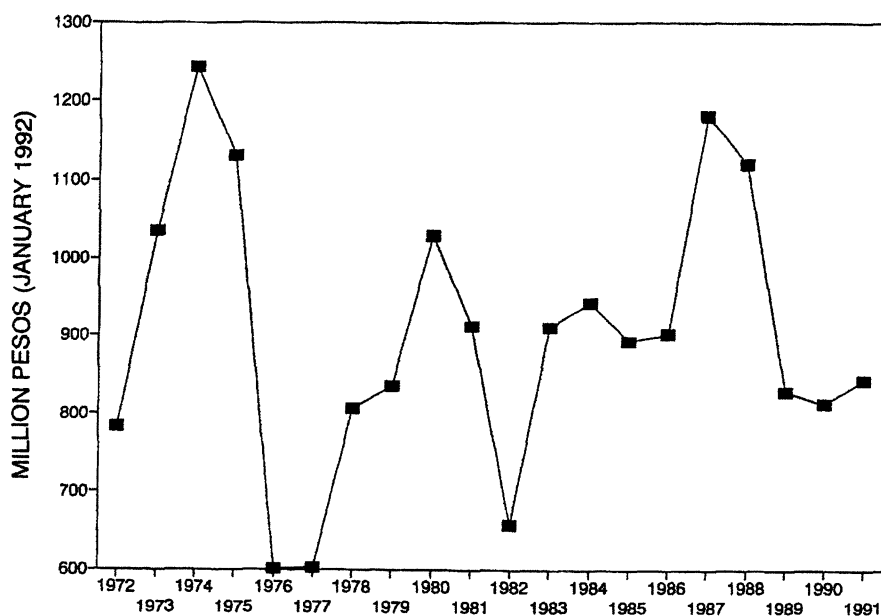


Fig. 1. Federal funding for national universities: Argentina 1972–1991.

The educational authorities of the government elected in 1989 announced their will to reform the financial system of national universities. This announcement took place soon after they assumed power, within the outlines of very stringent economic policies. Although the latter were by no means new, they now included a program of privatization of many state enterprises (i.e., utilities, transportation, and industrial firms administered by the state for many decades were to be sold partially or totally to the private sector). National universities would be pressed to develop cost recovery programs and allowed to handle their budgets with greater flexibility by the central administration. In particular, the intention to lift the ban against student fees was announced very early, although no immediate steps were taken for some time to obtain Congressional approval for a new law regulating the financing of national universities. Opposition to these changes was immediate. On the one hand, a majority of faculty, students, and university administrators had traditionally supported the tuition free system; on the other, a change was seen as a legitimation for permanent cuts in the federal budget devoted to the national universities, which had been sharply reduced from the level attained in 1987. A heated debate on student fees was taking place, with no specific proposal yet presented, while the first wage negotiations for the educational sector were underway which resulted throughout 1990 in a number of strikes affecting the whole education system (and not just the university sector).

By mid 1990 the Menem administration signed an overall agreement with university presidents expressing a joint commitment to defend the national universities (the so called "*Protocolo para la concertación universitaria*"). It was intended to reassure them that there would be no further cuts in the budget. This "*protocolo*" led to the development of a new body, the *Comisión de Concertación*, with representatives from Education, Finance and Civil Service secretaries, on the one hand, and of the inter-university council, on the other. Such committee would meet periodically behind closed doors. Its first task was to elaborate a statistical report on the basis of special information requested in a standardized form from all national universities. The report should have been the key to evaluate current budgetary situations and to reassign resources in due time according to indicators of need, efficiency, and productivity. Reliable figures on employment, size of student body, number of graduates in recent years, and the like, were not available. The collected information, which became available by September 1991, was judged to be of low reliability, since there is no control over how it was produced and its intended use made it politically suspect. In the meantime, the government refrained from introducing new legislation regarding the financing of national universities to Congress.

A drafted proposal was sent to the *Comisión de Concertación* late in 1991, where it was debated with university representatives. The disagreement on several key issues reveal that the conflict was not only, or even mainly, about student fees, but involved the much broader political issue of the governing of the university system. Four specific points over which there is disagreement make this overall political issue quite clear. At the time of this writing, in May 1992, the national cabinet approved the proposal by the Ministry of Education reforming the financial system



of national universities, which will now be sent to Congress for approval.

The first issue under debate is the processing of the university budget. University administrators tend to favor the continuation of the current system whereby Congress, in its yearly approval of the national budget submitted by the Executive, already assigns sums to the set of national universities and to each of them, offering little room to the Ministry of Education to utilize the budget for planning or control purposes. The current system pays special attention to the shares traditionally received by each institution and to student enrolment, but is subject to last minute changes obtained through political lobbying. Ministry officials, on the contrary, would prefer to use a complex set of indicators (i.e., students enrolled and graduating, faculty composition, the ratio of teaching to non-teaching staff, research output, and the like) to assign the budget to each institution. They would like to give incentives to institutions generating their own funds and using more efficiently the funds allocated to them. University administrators do not agree on the use of these indicators, and do not trust the "objective" criteria proposed by the Ministry of Education to evaluate quality or efficiency and thus reassign resources. The Ministry has made little or no use of independent evaluations and autonomous bodies in other key decision areas (i.e., credentialling of private universities). Neither university administrators, nor the Ministry, have proposed the creation of autonomous academic bodies to recommend budgetary changes.

The second issue involves the heavily politicized theme of student fees, included within the broader topic of autonomous resources. Student fees are an issue mobilizing students, public opinion, and the press, unlike the sale of services, research financing, rental of university property, and other income generating activities carried out by universities. There are few studies of student fees, their possible levels and the forthcoming resources (Piffano 1991). The inter-university council, most university administrators, teaching and non-teaching unions, as well as a large sector of the student movement, have expressed opposition to the former. Such opposition is not new: it was already expressed in the political platforms of the two major political parties. Current opposition is based upon three basic arguments. First, it is presented as a cumbersome system which would only represent, at best, an increase of some 10–15% of the current university budget, which has declined around 50% in recent years. Second, it could be used to make this decline permanent in nature, or even to justify further cuts. And third, free, state supported education at all levels is considered to have played a major role in stimulating social mobility, while the trend towards privatization of the whole educational system, symbolized at the university by student fees, is assumed to have regressive, elitist effects upon the social structure. Ministry officials, on the contrary, argue that the current free-for-all system represents a major subsidy to the middle and upper income groups who are over-represented among university students. They also show plans indicating that institutions raising their own funds, through fees or otherwise, would receive further incentives from government. And last, but not least, they argue that the use of funds raised could be determined by each institution, which could thus double the resources to be used without outside interference.

Many university administrators have recently moved towards a position more favorable to the implementation of student fees. A number of them argue that the main difficulty lies in allowing each institution to decide if, when, and how to implement fees. Some have indicated that the federal authorities are not willing to pay the political costs involved in this decision (i.e., student opposition and mobilization), thus transferring it to the universities (Paviglianiti 1992). However, one major university already voted to raise a student contribution in 1990, and ratified this decision with student consensus, two years later. This decision was criticized by a majority within the university community at the national level. Market competition for funds and students within the national university system, or between the national and private universities, is a muted issue. Lifting the ban upon university fees would be a major step towards opening such competition. Also, budgetary decisions within each institution are already highly conflictive, and an increase in autonomous funding is expected to raise the level of conflict. For instance, faculty salaries are homogeneous throughout the system, with variations linked to status and seniority. The possibility of increasing salary differences between and within institutions according to other criteria raises an entirely new set of policy issues which the national universities are not ready to face. Thus, autonomous funding, either through student fees or other means, is seen as a mixed blessing by university administrators.

This is clearly related to a third, perhaps less conflictive issue in the current debate about the proposed reforms. There is consensus about the need to expedite the use of funds within the university system. The government has already changed the administrative status of the system within the central administration, thus allowing greater flexibility to each institution which does not have to follow any longer the very cumbersome rules about spending. It should be noticed that such rules applied only to a minor part of the budget, since the largest chunk – that of wages and salaries – is subject only to marginal decisions on the part of each institution. However, the Ministry of Education has often pointed out the inefficient use of the budget by university administrators, who according to the Ministry employ too many non-teaching staff and use university budgets in a semi-clientelistic fashion. University councils and presidents think otherwise, and point out to the still heavy administrative and accounting controls over spending which often result in higher costs to the universities. An increase in autonomous funding, to the extent that those funds can be used more freely by each institution – some of them are already establishing mechanisms for this purpose, i.e., private foundations or mixed enterprises established by the universities – would result in a new set of rules governing the relations between the national universities and the executive.

The fourth issue under debate is that of university autonomy, reflected in the proposed reform through the detailed rules imposed upon university councils regarding their functions *vis-à-vis* the budget. Universities reacted against these rules since they feel that the functions of university councils cannot be determined by such a law: the current university law allows for self-government, so that the functions of the university councils are to be decided according to the statutes of each university, rather than by the executive. Within the context of the proposed



reform this is a rather minor issue. However, it touches upon a much broader and conflictive institutional issue regarding the status of the university within the state administration.

The issue of administrative autonomy *per se* – outside the realm of financial reform – has been raised twice in recent years. Soon after it took over, the current administration confronted the universities by ruling in favor of faculty members who complained against a decision by a national university council. The council did not accept the ruling on legal grounds, rejecting the authority of the ministry over its decisions. It argued that those decisions can only be challenged by the courts. The Ministry of Education raised the issue with the Supreme Court, which ruled in its favor. Thus, a precedent was established by which decisions by autonomous universities could be challenged by the administrative authority of the federal government. More recently, the School of Medicine at the University of Buenos Aires also complained about a University council's decision regarding the student representatives from that School. The Ministry of Education intervened in favor of the School, ordering the University to accept those representatives. The council did not accept such an order. Negotiations between the parties prevented a conflict which would again demand a ruling from the courts, most probably in favor of the ministerial authority. Many university administrators feel the current situation already implies federal intervention in a national university, even if the current elected authorities are in place.

In short, the debate about financial reform touches upon the most fundamental issues of university governance. It seems clear that the executive, through its Ministry of Education, wants to change its functions *vis-à-vis* the national university system, increasing its supervisory and controlling roles, as much as the Ministry of Finance wants to decrease the dependence of the system upon the federal budget. A secondary but still valuable objective for the executive is to increase the autonomous government of national universities, but its definition of autonomy does not match that of the universities. The government wants to allow universities greater flexibility in management but wants also to gain a supervisory control over their decisions, while university councils, administrators, faculty and students largely feel that the latter represent a revised form of intervention, suffered quite often in the past under military regimes. The universities, on the other hand, want to keep this fully-fledged autonomy but are reluctant to assume conflictive budgetary decisions which they have not faced in the past. The politics of university government is already complex enough without the burden of explicit debates about inter and intra institutional conflicts about resource allocation. Collegiate decision-making through elective bodies, already quite cumbersome and inefficient, would be put to an extreme test under those circumstances.

#### **4. Other issues of higher education policy making today**

Higher education policy making involves political actors and key issues other than those already touched upon in our discussion of the financial reform of national universities. We will briefly consider them since the latter do form part of a broader

system within which complex links are present which influence the debate over specific policy changes.

Three new national universities have been granted legal status and a line in the federal budget since 1989. One of them is located in an economically backward, Northeastern province, where it competes for students with another university located in neighboring provinces. A proposal had already been approved by Congress in 1988 and rejected by the Alfonsín administration as having little feasibility. This time the provincial lobby was more successful, and the proposal passed both Congress and the executive in the absence of any relevant change in the local situation. As many other national universities located in backward areas, this one might become not just be an alternative for the local youth seeking a post-secondary education, but also a respectable federal source of employment, income and power at the local level. As a national university, it will enjoy the same status under the law as all the others. Two other national universities emerged as recent proposals supported by municipal governments within the Buenos Aires metropolitan area. The municipal administration as well as local enterprises did the lobbying and committed themselves to support them; however, federal funding under the current legal framework is also forthcoming. These two small institutions are seeking to specialize in professional graduate training and in service delivery related to local enterprise and social demands. For the time being, they cannot compete for undergraduate students within the rather over-supplied, private and public, institutional framework of the largest metropolitan area in the country.

Local authorities and the National Congress have been, in all three cases, the major political actors involved in the process of university foundation, with the federal government and its Ministry of Education playing a secondary but supportive role. The limited public debate indicates that there was no evaluation process guided by outside, scholarly or administrative opinion regarding the merits or feasibility of the proposed institutions. The inter-university council was not called to play any role in the process. Initiated on a very modest scale, they nevertheless are in open contradiction with the overall policy geared to keep the higher education budget down and to limit the role of the federal government in this field. At the very least, their approval by the Ministry of Education without explicit and open evaluations did not help it in gaining further legitimacy *vis-à-vis* its opponents within the national university system.

Another major thrust of institution building took place within the private sector in recent years. Between 1974–1989 the federal government had not approved any proposal, thus limiting the competition to those already in operation, 23 of them by 1989. Late in 1989 the news filtered down through a national newspaper that there were some twenty new proposals under consideration by the Ministry. In 1990 the executive approved by decree – as authorized by the law of private universities – three of them, without making it explicit how the decision was reached that they fulfilled the academic and legal requisites. The federation of private university presidents, or CRUP, was either not consulted or sent negative evaluations. There is no evidence that outside evaluations were considered necessary. By September 1990 the Ministry created a committee of university planning which would be in

charge of provisional authorizations to private universities, but it did not indicate who formed the committee or how it would function. Official ministerial publications do not include this committee within its formal structure. In total, nine universities were approved during 1990/1. They are all quite small in size, although by law they have to offer at least three first level degrees. Six of them are located in Buenos Aires, offering degrees in business administration, communications, and the humanities; two schools of medicine are also included within the new group. Some of the new institutions compete for students within the most restricted social groups, charging very high fees for local standards, and receive considerable business support.

In this case, private interests of different origins – business philanthropists, ethnic or religious communities, the Opus Dei, and also profit-making enterprises in spite of the non-profit legal requirement – are involved. Most initiatives arise from the expansion of previously established educational or research institutions. The Ministry of Education has played also an active role, if not as a promoter, at least in easing down the process for credentialling new institutions. The policy is congruent with the overall privatization philosophy within the realm of education – the Minister himself comes from this sector – as well as in the overall administration. Such a policy is in itself opposed by the traditionally pro-statist educational groups predominant within the national universities, and thus it is not surprising that the latter were not sought as consultants in these decisions. As indicated, the pre-existing private university administrations also felt alienated from the process, although in their case the reasons for exclusion might be entirely different. Yet, the lack of outside evaluations and explicit, objective criteria for credentialling weakened the overall position adopted by the government *vis-à-vis* higher educational policies.

The national system supporting scientific research, although formally outside the realms of higher education policy making since 1989 – when it was moved away from the Ministry of Education and placed directly under the President's office – has to be brought also into the picture. Ever since it was created in the late 1950s, this system has been the major provider of outside funds for research within the national universities. Under the Alfonsín administration the link was open and explicit, although both private universities and non-university institutions could compete for federal research funds administered by CONICET (the financing, organism of the Science and Technology secretary). In fact, a specific arrangement developed between CONICET and the national universities to support full-time, research oriented positions within the latter. Funding was modest within the overall budgetary restrictions imposed by the several economic plans. This link was interrupted by the Menem administration. In fact, the new science and technology secretary, now formally outside the educational sphere, publicly announced its position against those programs and was highly critical of national universities in general. It also made overt gestures towards favoring private universities, even if the latter could develop very few proposals due to the relative scarcity of research centers and research oriented programs within the latter. Last, but not least, the science administration disrupted the pre-

existing structure of peer review and committee evaluation of proposals, disbanding most committees and making new appointments without involving academic institutions or scientific organizations. In the longer run it adopted a lower profile, but the main effect upon the national universities was the deterioration of a source of outside funds particularly important for research and graduate training within the largest and more prestigious universities. Also, these new policies reinforced the widespread belief among the national universities that the current administration's programs favor private against state institutions.

Policies in these three areas – creation of new national universities, accreditation of private institutions, delinking of the research and higher educational systems – have been considerably easier to implement than the proposal for reforming the key institutions, i.e., the major national universities. None of them has had high public visibility, neither have they turned into hot political issues. Only the first one required Congressional approval; in fact, it was initiated by Congress and practically ignored by public opinion. Accreditation of private institutions by decree met with some criticism within university circles, including the association of private university presidents, but had almost no publicity. Although the scientific community complained bitterly about the changes in science policy, it never became a relevant political issue. In contrast, the proposed reforms of the national university system have been delayed in their implementation until today. Drafts have been sent for discussion with university presidents and negotiating committees. Announcements of legal initiatives by the executive have been contradictory. Although the person appointed as Minister of Education in 1989 is still in charge, his main collaborators have changed several times. The relevant committees in Congress have had a large number of initiatives under consideration, including those sent by the executive. By April 1992 there were no less than seven different proposals to change the current university law under Congressional consideration.

One important reason for this state of affairs is that higher educational policy is not a coordinated decision making area. On the contrary, there are many different agencies involved with no coordination between them. Congress and at least three different secretaries within the cabinet – education, finance, and science – are directly involved. To complicate matters, legal initiatives regarding the whole educational system have also been underway, overlapping with – and at times contradicting – those initiatives geared specifically to reform the universities. Another reason is that lobbying on the part of various interest groups within the university system is very active. University-related issues are quite sensitive with public opinion. The universities themselves (represented generally by their presidents), the inter-university council, the teaching and staff unions and the student movement, are all very active. In fact, they have acted together in recent years challenging the serious budget cuts with protests and strikes. This issue has overshadowed all others until recently, when a sharp decline in inflation has led to a more stable budgeting process.

## 5. Prospects for the near future

The key legal instrument to change the national universities currently being debated in Congress is the proposed law regulating university finances. The most publicized item in this law is the rejection of the current regulation which forbids all national universities to charge student fees. If approved, universities will have to decide for themselves whether they will charge fees or not, if these will be even within each institution or will they vary between schools, and how to use the funds raised through them (the drafted law only provides for a fellowship program to be established). By law, the federal government will not be able to decrease its support to any single institution due to this new source of income. Clearly, approval will put universities to a serious test, since they have not had to face decisions of this nature in the past, i.e., how to rule about an autonomous source of income which can be allocated with no governmental intervention. Collegiate bodies with elected representatives in over thirty institutions, with no formal ways to coordinate their decisions one to each other but aware of some joint consequences of what they do, will be in charge of doing precisely that. A greater degree of financial autonomy will also face each of them with more explicit decisions about priorities and their costs.

The proposed law also sets apart twenty percent of the total university budget to be used by the Ministry of Education in a discretionary way. Presumably, it will use those funds selectively, rewarding those institutions which – according to some stated criteria – are more productive, efficient in the use of resources, better in quality, show the greatest need, and so on. Evaluation, supervision and control mechanisms tied to budgetary decisions will have to be developed. Of course, this will be a test to the ministerial willingness and ability to handle the budget with a degree of consensus as to the decision making process within the academic and university community.

Last, but not least, the proposed law establishes mechanisms for stabilizing the amount of funds allocated to the national university system. This might introduce a radical change in the pattern of extreme swings up and down which universities have suffered over the years. It will certainly dilute the tendency for universities to mobilize their joint political resources constantly in a continuous fight for survival. Expectedly, the level of political mobilization around the budget and salaries will be more limited, and university administrators as well as the other university actors might be more inclined to debate other issues without tying them up around the fight for the budget.

## References

- Balán, Jorge (1990). 'Private universities within the Argentine higher educational system: trends and prospects', *Higher Education Policy* 3(2), June.
- Balán, Jorge (1991). 'Políticas de financiamiento de las universidades nacionales en el contexto de reforma del Estado: El caso argentino', working paper, Workshop on Higher Education Policies, FLACSO, Santiago.

- Balán, Jorge (1992). 'Argentina', in Burton Clark and Guy Neave (eds.), *Encyclopaedia of Higher Education*, New York, Pergamon Press.
- Bertoni, María Luz and Cano, Daniel Jorge (1990). 'La educación superior argentina en los últimos veinte años: tendencias y políticas', *Propuesta Educativa*, (Buenos Aires), 2, May.
- Braslavsky, Cecilia et al. (1983). *El proyecto educativo autoritario, 1976-1982*. Buenos Aires, FLACSO.
- Cano, Daniel Jorge (1985). *La educación superior en la Argentina*. Buenos Aires, FLACSO-CRESALC/UNESCO.
- Gertel, Héctor R. (1991). 'Issues and perspectives for higher education in Argentina in the 1990s', *Higher Education* 21, 63-81.
- Levy, Daniel (1986). *Higher Education and the State in Latin America: Private Challenges to Public Dominance*. Chicago, University of Chicago Press.
- Paviglianiti, Norma (1991). *Neo-conservadurismo y educación: Un debate silenciado en la Argentina del 90*. Buenos Aires, Libros del Quirquincho.
- Paviglianiti, Norma (1992). 'Formas actuales de desarticular las universidades nacionales', *Ciencias Sociales* (Buenos Aires), 6, April.
- Pérez Lindo, Augusto (1985). *Universidad, política y sociedad*. Buenos Aires, EUDEBA.
- Piffano, Horacio L.P. (1991). 'Explorando nuevas fuentes de financiamiento para las universidades nacionales: El arancel y el impuesto al graduado', *Estudios*, IEERAL (Córdoba), April/June.
- Sánchez, Carlos E. & Peña, Angel (1988). 'Descentralización y financiamiento del sistema educativo no universitario en la Argentina', *Estudios*, IEERAL (Córdoba), XI, 46.

### Resumen

El trabajo describe las políticas universitarias de los gobiernos constitucionales argentinos desde 1983, enfocando en particular aquellos cambios sugeridos por la administración del Presidente Menem a partir de 1989. Una importante reforma al sistema financiero de las universidades nacionales ha sido propuesta. La propuesta de ley estimula a las universidades nacionales a incrementar los fondos propios mediante el cobro de aranceles estudiantiles y otros mecanismos. Esta reforma encuentra oposición en grupos universitarios tradicionalmente favorables a la educación universitaria gratuita, pero ella implica además cambios fundamentales en la relación de las universidades con el Estado y el mercado. Otras políticas relevantes, como ser, el credenciamiento de nuevas universidades públicas y privadas y la política de financiamiento de la investigación en las universidades, también son analizadas dentro de este contexto.